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US Environmental Protection Agency
Ben Larson
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Delivered via email: larson.ben@epa.gov

January 8, 2015

Dear Ben:

Please accept this letter as Lifecycle Renewables' official claim to keep its EMTS transaction data, components listed below, as Confidential Business Information (CBI).

For EMTS transactions generated pertaining to Lifecycle Renewables EPA Company ID 3875, facility 81209, the following data is hereby claimed as CBI and should not be released to any party.

- Transaction information contained in EPA's Moderated Transaction System (EMTS) including all EMTS data elements listed on the EPA's notice FR Doc. 2014-29155, publication date, 12/11/2014 summarized directly below and specifically listed on page 3 of this letter.
 - o RIN Trades (data elements within "buy" and "sell" transactions)
 - o Company Identifying Information
 - o Trading Partner Identifying Information
 - o Fuel Sales Data
 - o Optional Information Provided to Trading Partner
 - o RIN Separation Transaction Data
 - o RIN Sales Data

CBI Reasoning:

1. We claim that Lifecycle Renewables' data as described above should be kept as CBI permanently or at least for a period of five years from creation.
2. Lifecycle Renewables is developing new markets for renewable fuels and we are typically "ahead of our competition" in this respect. By releasing our transaction data in a period within five

years, may enable our competition to unfairly “catch up” in some areas of development. We continue to spend time and treasure to stay ahead of our competitors and we would suffer unnecessary financial hardship if they received our EMTS transaction detail information within five years of it’s creation.

3. Lifecycle Renewables holds confidentiality agreements with commercial parties who have the capability to see it’s EMTS data and EPA registration and compliance reports. These include our QAP compliance partner and third party engineers who provide compliance services. The EMTS transaction data should be kept as CBI because it’s release is damaging to the competitive advantages of Lifecycle Renewables. Specifically, a competitor who obtains this data can quickly size our business from a revenue perspective and thereby understand facility capacity. Also, a competitor could understand who our trading partners (both from a RIN Sale and Fuel Sale perspective) and seek to disrupt those relationships. Further, this data provides a competitor insight into our processing capability including product specification and it’s appropriate technical use. A competitor with this data would be capable replicating or reverse engineering our capabilities and therefore more rapidly become direct competition.
4. EMTS transaction data is only maintained in EMTS and to some degree provided from EMTS in the form on internally shared reporting. This data and reporting is held as CBI by Lifecycle Renewables and our compliance partners.
5. There is no other means other than security breach that the public should be able to access our EMTS transaction data.
6. To our knowledge there has been no governmental determination regarding the confidentiality of this information. However, it is implied as EMTS has a significant amount of security and protocol to protect this information for the EPA and RFS2 parties.
7. We provide specific damages that will be likely if this information is released below, but in generally speaking the RFS is a government/private enterprise partnership that would be undermined considerably through the release of CBI that would create unnatural market conditions. These conditions are unfair advantage to receivers of the data and unfair disadvantages to creators of the data.

Specific damages to Lifecycle Renewables upon the release of CBI by data category:

- RIN Trades (data elements within “buy” and “sell” transactions) -competitor will be able to understand our volumes/product flows and a given time frame. Therefore they can extrapolate pricing of RINS/type and fuel with market data and then understand our revenue picture. An understanding of our revenue will aid them in strategic plans to enter/compete in our market and therefore create greater competitive threat to current and prospective business. The end result of stronger competition is eroding margins, increased logistics cost and greater spending on marketing of our product/RINS.
- Company Identifying Information – having this is key to put all of the other EMTS data in perspective in order to build a competitive case against Lifecycle Renewables.
- Trading Partner Identifying Information – having this information provides an instant prospect list for a competitor to call upon. The loss of a customer that we have spent significant time and treasure to nurture would be a direct financial hardship to Lifecycle Renewables.
- Fuel Sales Data – A competitor would use this information to understand/verify volumes that our facility produces and timeframes for production. A competitor with this information would derive an advantage in learning about the health of our business,

understanding margins, estimating employees and generally directing it's strategic plans against us.

- Optional Information Provided to Trading Partner – We load various documents into EMTS to support transactions such as invoices (pricing), affidavits from customers, bills of lading etc... This information would be useful to a competitor to understand exact logistics costs/carrier information that they could use to instantly disrupt current and future business.
 - RIN Separation Transaction Data – A competitor could learn our separation methodology and therefore understand our general strategy as it relates to market penetration. This is critical because it would give them the knowledge if we sell directly to the end customer or through a distributor or an obligated party under RFS. With this knowledge they would know what methods are possible and therefore provide them an edge in deploying their own market penetration strategy.
8. The EMTS transaction data is both voluntary in that we want to participate in the RFS2 program and mandatory in that producing information is necessary for compliance. We provide a greater degree of voluntary information to reduce risk of noncompliance with the RFS2 program. Outside of submitting this information for compliance purposes, this information would not be provided to any other party.
9. Our decision to provide the EPA with information about our activities is weighed considering the risk of noncompliance. This decision would be affected if there was also the risk of CBI being made public in that it would result in less information being communicated to the EPA.
10. Lifecycle Renewables' Facility Engineering Report, Quarterly and Annual QAP submissions and details about it's RFS2 registration are considered Trade Secrets and should not be shared with any party. These documents contain details about our proprietary fuel processing methods and therefore are Trade Secrets owned by Lifecycle Renewables.
11. NA

Specific EMTS Data deemed to be CBI:

Company Identifying Information

- a. Submitting Company Identifying Info—Company entering the RIN buy/sell transaction into EMTS;
- b. EMTS Transaction Date—The date EMTS processed the transaction;

Trading Partner Identifying Information

- c. Trading partner ID—The four digit EPA assigned ID of the company identified as the trading partner;
- d. Trading partner Name—The name of the company identified as the trading partner.

Optional Information Provided to Trading Partner

- e. PTD number [optional]—Number on the Product Transfer Document (used for transactions);
- f. Matching Transaction Identifier [optional]—User-specified ID that can be used to match specific transactions (entering the EMTS Transaction ID of the received trade to be matched);
- g. Public Supporting Document [optional]—Any public supporting text used by the company to share with its trading partner;
- h. Public Supporting Document Number [optional]—Tracking/identification numbers that are associated with the public supporting document text;
- i. Public Supporting Document [optional]—Any public supporting text used by the company to share with its trading partner;
- j. Public Supporting Document Number [optional]—Tracking/identification numbers that are associated with the public supporting document text.

Compliance Activity

- k. RIN quantity—Amount of RINs involved in the transaction;
- l. Batch volume [conditional—required for assigned RINs]—Volume of batch fuel, in gallons, involved in the transaction;
- m. Fuel Code/"D" Code—Identifies the type of Fuel produced involved in the transaction;
- n. Assignment Code—Status of the RINs (Assigned or Separated);
- o. RIN Year—Generation year of the RINs;
- p. [QAP Service Type Code]—** New in 4Q 2014—Indicates the Quality Assurance Provider (QAP) service associated with the RINs;
- q. Buy/Sell Reason code—The reason the buy/sell transaction is taking place;
- r. Price per RIN [conditional—required if Price per Gallon is not reported]—Price per individual RIN;
- s. Price per Gallon [conditional—required if Price per RIN is not reported]—Price per individual gallon;
- t. Transaction Detail Comment [conditional]—Comment provided by the user on the transaction;
- u. RINs Information for non-FIFO trades [multiple, conditional—includes: Generate Organization ID, Generate Facility ID, and Batch Number]—Information provided by buyer/seller to select specific batches either at the producer level or down to the individual batch level.

Other Optional Submitter Provided Information

- v. 1—Supporting Document [optional]—Information for the industry user to create user defined data to report supporting document identifiers;
 - w. 1—Supporting Document Number [optional]—ID number associated with the supporting document text;
 - x. 2—Supporting Document [optional]—Information for the industry user to create user defined data to report supporting document identifiers;
 - y. 2—Supporting Document Number [optional]—ID number associated with the supporting document text.
- RIN generation transactions—EMTS system records specific to a registered renewable fuel producer assigning RINs to a batch of renewable fuel, including elements related to the renewable fuel production process.

Company Identifying Information

- a. Submitting Company Identifying Info—Company entering the RIN generation transaction into EMTS;
- b. EMTS Transaction Date—The date EMTS processed the transaction.

Compliance Activity

- c. RIN Quantity—Quantity of RINs generated for the batch;
- d. Batch volume—Total volume of the fuel batch in gallons;
- e. Fuel Code/"D" Code—Identifying the type of renewable fuel associated with the batch;
- f. Production Process—Process used for producing the renewable fuel;
- g. Fuel Category—The renewable fuel (ethanol, biogas, biodiesel, etc);
- h. Fuel Production Date—Date the renewable fuel batch was produced
- i. Denaturant Volume—The volume of non-renewable fuel added to a volume of ethanol to create the batch volume for a given batch number of renewable fuel;
- j. Equivalence Value—A multiplier applied to the batch volume to determine the number of RINs that will be generated per gallon of renewable fuel produced. The equivalence value is directly related to fuel category code;
- k. Production Source—Originating Organization—Four digit ID of the organization producing the renewable fuel;
- l. Production Source—Originating Facility—Five digit ID of the production facility of the renewable fuel;
- m. Batch number—Industry user assigned identification number for the batch of renewable fuel;
- n. Production Source—Additional information (text box);
- o. Feedstock—Feedstock used to produce the batch of renewable fuel;
- p. Feedstock amount—Amount of feedstock used in the production of the batch of renewable fuel;
- q. Feedstock—Additional Information (text box);
- r. Co-product—Co-products created from the renewable fuel production process;
- s. Co-product additional information—Comment provided by the industry user on the co-products produced;
- t. [QAP Service Type Code]—** New in 4Q 2014—Quality Assurance Provider service type associated with the RINs;
- u. Transaction Detail Comment—Comments provided by the industry user on the EMTS transaction.

Other Optional Submitter Provided Information

- v. 1—Supporting Document [optional]—Information for the industry user to create user defined data to report supporting document identifiers;
 - w. 1—Supporting Document Number [optional]—ID number associated with the supporting document text;
 - x. 2—Supporting Document [optional]—Information for the industry user to create user defined data to report supporting document identifiers;
 - y. 2—Supporting Document Number [optional]—ID number associated with the supporting document text.
- RIN separation transaction—EMTS system records specific to a RFS registered party separating RINs from renewable fuel, including elements related to the RIN quantity and why the party is separating RINs.

Company Identifying Information

- a. Submitting Company Identifying Info—Company entering the RIN separation transaction into EMTS;
- b. EMTS Transaction Date—The date EMTS processed the transaction;

Compliance Activity

- c. RIN quantity—Quantity of RINs separated from the fuel;
- d. Batch volume—Volume of renewable fuel involved in the transaction;
- e. Fuel Code/"D" Code—Identifying the type of renewable fuel;
- f. Separate Reason Code—Reason for separating RINs from the renewable fuel;
- g. Transaction Date—Date EMTS processes the transaction;
- h. RIN Year—Year the RINs involved in the transaction were generated;
- i. [QAP Service Type Code]—** New in 4Q 2014—Quality Assurance Provider service type associated with the RINs;
- j. Blender Organization Identifier [conditional]—Company ID for upstream delegation for blending;
- k. Blender Organization Name [conditional]—Company name for upstream delegation for blending;
- l. Transaction Detail Comment [conditional]—User provided comments on the transaction;
- m. RINs Information for non-FIFO trades [multiple, conditional—includes: Generate Organization ID, Generate Facility ID, and Batch Number]—Information provided by the Organization involved in the transaction to select specific batches either at the producer level or down to the individual batch level.

Other Optional Submitter Provided Information

- n. 1—Supporting Document [optional]—Information for the industry user to create user defined data to report supporting document identifiers;
 - o. 1—Supporting Document Number [optional]—ID number associated with the supporting document text;
 - p. 2—Supporting Document [optional]—Information for the industry user to create user defined data to report supporting document identifiers;
 - q. 2—Supporting Document Number [optional]—ID number associated with the supporting document text.
- RIN retirement transaction—EMTS system records specific to a RFS registered party using RINs for compliance or removing RINs from the RFS marketplace for other reasons, including elements related to the RIN quantity and why the party is retiring RINs.

Company Identifying Information

- a. Submitting Company Identifying Info—Company entering the RIN retirement transaction into EMTS;
- b. EMTS Transaction Date—The date EMTS processed the transaction.

Compliance Activity

- c. RIN quantity—Amount of RINs retired;
- d. Batch volume [conditional]—Amount of fuel in gallons involved in the retire transaction;
- e. Fuel Code/"D" Code—Identifying the type of renewable fuel;
- f. Assignment Code—Status of RINs (assigned or separated);
- g. RIN Year—Year RINs involved in the transaction were generated;
- h. [QAP Service Type Code]—** New in 4Q 2014—Quality Assurance Provider service type associated with the RINs;
- i. Retire Reason code—Reason for retiring the RINs;
- j. Transaction Date—Date the EMTS system processes the transaction;
- k. Compliance Year [conditional]—If retiring for annual compliance, the compliance year;
- l. Compliance Level Code [conditional]—If retiring for annual compliance, the compliance level such as Refiner, Importer, or Exporter;
- m. Compliance Facility Identifier [conditional]—If retiring for annual compliance and choosing to comply facility by facility, the five digit facility ID the RINs are being retired under;
- n. Transaction Detail Comment [conditional]—Comments provided by the industry user on the EMTS transaction;
- o. RINs Information for non-FIFO trades [multiple, conditional—includes: Generate Organization ID, Generate Facility ID, and Batch Number]—Information provided by the Organization involved in the transaction to select specific batches either at the producer level or down to the individual batch level.

Other Optional Submitter Provided Information

- p. 1—Supporting Document [optional]—Information for the industry user to create user defined data to report supporting document identifiers;
- q. 1—Supporting Document Number [optional]—ID number associated with the supporting document text;
- r. 2—Supporting Document [optional]—Information for the industry user to create user defined data to report supporting document identifiers;
- s. 2—Supporting Document Number [optional]—ID number associated with the supporting document text.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to be 'RGA' or similar, enclosed within a light gray rectangular border.

Rory Gaunt